

Legal tender, currency, medallions, or gold and silver coinage issued by the State of Illinois, the government of the United States of America, or the government of any foreign country, and bullion are exempt from Retailers' Occupation Tax. See 86 Ill. Adm. Code 130.1910(c). (This is a GIL).

July 8, 2004

Dear Xxxxx:

This letter is in response to your letter dated March 1, 2004, in which you request information. The Department issues two types of letter rulings. Private Letter Rulings ("PLRs") are issued by the Department in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. A PLR is binding on the Department, but only as to the taxpayer who is the subject of the request for ruling and only to the extent the facts recited in the PLR are correct and complete. Persons seeking PLRs must comply with the procedures for PLRs found in the Department's regulations at 2 Ill. Adm. Code 1200.110. The purpose of a General Information Letter ("GIL") is to direct taxpayers to Department regulations or other sources of information regarding the topic about which they have inquired. A GIL is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120. You may access our website at www.ILTAX.com to review regulations, letter rulings and other types of information relevant to your inquiry.

The nature of your inquiry and the information you have provided require that we respond with a GIL. In your letter you have stated and made inquiry as follows:

This letter is regarding the enclosed copy of Informational Bulletin FY85-33 dated April, 1985. We have a retail antiques business and have charged Illinois Sales Tax on coins unless we are submitted an Illinois Tax Exempt number for resale. We are confused as to how pursue this. First do we have to exempt coins from Illinois Sales Tax? How do we report it on our ST1 form at the end of each month? Also our point of sales software requires a Tax Id number when doing a sale exempt from tax. If we enter our number for coin sales, it will appear that we are purchasing the coins. We would like to do this properly, but do not know what our or the customer's tax liability is. Please advise.

DEPARTMENT'S RESPONSE:

For your general information, see 86 Ill. Adm. Code 130.1910, which describes the exemption from Illinois Retailers' Occupation Tax liability for certain collector coins, medallions and legal tender. Gross receipts from the sales of legal tender, currency, medallions, gold or silver coinage issued by the State of Illinois, the government of the United States of America, or the government of any foreign country, and bullion are exempt from Retailers' Occupation Tax. See 86 Ill. Adm. Code 130.1910(c). No certification or exemption identification numbers are required in order to document the nontaxable sales of such items.

I am enclosing the ST-1 instructions for your benefit. The amount of gross receipts from such sales are reported on line 1 of Form ST-1. Items that are not subject to tax under the provisions of Section 130.1910 are deducted on the ST-1 worksheet on the line marked "other." The Department does not administer nor regulate the "point of sales software" mentioned in your letter and therefore cannot give direction on the usage thereof. Please contact your software vendor and/or provider in order to discuss the appropriate use of the software.

I hope this information is helpful. If you require additional information, please visit our website at www.ILTAX.com or contact the Department's Taxpayer Information Division at (217) 782-3336. If you are not under audit and you wish to obtain a binding PLR regarding your factual situation, please submit a request conforming to the requirements of 2 Ill. Adm. Code 1200.110 (b).

Very truly yours,

Edwin E. Boggess
Associate Counsel

EEB:msk
Enc.